



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA09-170**

1. Agenda Item Number:

30

2. Council Meeting Date
February 12, 2009

TO: MAYOR & COUNCIL

3. Date Prepared: January 27, 2009

THROUGH: CITY MANAGER

4. Requesting Departments: City Manager

5. SUBJECT: Award a design and construction contract to Arizona Public Service for the removal of existing overhead 12 kilovolt (kV) power lines and to place new conductor underground in existing conduit structure, Project No. GG0502-302, in an amount not to exceed \$247,796.

6. RECOMMENDATION: Staff recommends that Council award a design and construction contract to Arizona Public Service for the removal of existing overhead 12 kilovolt (kV) power lines and to place new conductor underground in existing conduit structure, Project No. GG0502-302, in an amount not to exceed \$247,796.

7. BACKGROUND/DISCUSSION: As part of the on-going redevelopment of Downtown, the City is upgrading pedestrian routes adjacent to the new City Municipal Complex. To accommodate the planned upgrades, the City will have to underground existing electrical feeder lines.

Arizona Public Service must remove 1,464 feet of existing overhead conductor and place 6,000 feet of new conductor in existing conduit, remove four poles, install two pad-mounted transformers and install three switching cabinets.

8. EVALUATION: Arizona Public Service self performs work.

9. FINANCIAL IMPLICATIONS:

Cost:	\$247,796
Savings:	N/A
Long Term Costs:	N/A

Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
101.1290.0006210.8GG075	General Fund	City Hall	FY07/08	\$123,898
101.1290.0000.6111.8DT001	General Fund	Miscellaneous Downtown Projects	FY07/08	\$123,898

PROPOSED MOTION: Move that Council award a design and construction contract to Arizona Public Service for the removal of existing overhead 12 kilovolt (kV) power lines and to place new conductor underground in existing conduit structure, Project No. GG0502-302, in an amount not to exceed \$247,796 and authorize the Mayor to sign the contract documents.

ATTACHMENTS: Location Map, Contract

APPROVALS

11. Requesting Department

Marian Norris
Marian Norris, Assistant to the City Manager

13. Requesting Department

Teri Killgore
Teri Killgore, Downtown Redevelopment Manager

12. City Engineer

Sheina Hughes
Sheina Hughes, Assistant Public Works
Director/City Engineer

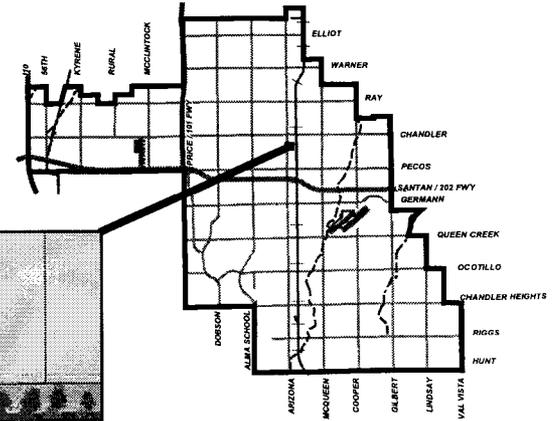
14. City Manager

W. Mark Pentz
W. Mark Pentz



Chandler • Arizona

APS ALLEY CONVERSION



MEMO NO. CA09-170

— APS ALLEY CONVERSION



NTS
Changis



**AGREEMENT
TO CONSTRUCT ELECTRIC DISTRIBUTION FACILITIES**

The parties to this Agreement are ARIZONA PUBLIC SERVICE COMPANY, an Arizona corporation, hereinafter called "APS" and THE CITY OF CHANDLER hereinafter called "Customer." In consideration of the promises and provisions set forth below, the parties to this Agreement agree as follows:

1. CONSTRUCTION

1.1 APS shall construct electric distribution facilities as an extension of its present facilities in order to serve COC City Hall PhsI in Chandler, Arizona, in accordance with the attachments set forth in Section 4 to this Agreement and APS' line extension tariff, "Schedule 3: Conditions Governing Extensions of Electric Distribution Lines and Services," hereinafter called "Extension Policy." The terms and conditions of APS' Extension Policy and the attachments described in Section 4 are hereby incorporated in full into this Agreement.

1.2 The earthwork, conduits and materials necessary for construction shall be provided by the parties as follows: CUSTOMER shall provide distribution line and service line earthwork; APS shall provide equipment, manholes, and transformer pad(s) (unless otherwise noted on the sketch); CUSTOMER shall provide and install conduit(s) (unless otherwise noted on the sketch). Customer-provided earthwork, conduits, materials, and installation(s) shall be provided in accordance with the attached sketch(es), specifications(s), and Trenching Agreement - Requirements, and shall be approved by APS prior to APS commencing the installation of lines and equipment.

1.3 Distribution facilities shall be installed by APS in the location indicated on the attached sketch(es). Customer agrees to the location of APS' facilities and agrees to convey an easement on its property to APS (in APS' standard Utility Easement form attached hereto) for APS' use at that location. Customer shall provide APS access to these distribution system facilities at all times, and shall not block or interfere with said access in any way, including fencing or the placement of obstructions adjacent to and on the door-side of cabinets, transformers, or any other equipment.

1.4 All meters are to be located as shown on the sketch, a copy of which is attached to this Agreement. No variation to the meter locations identified may be made unless approved in writing by an authorized representative of APS.

1.5 Customer's "off-site" construction is estimated to begin on MARCH 2009, and to be completed on MAY 2009. APS' construction is estimated to begin on MAY 2009, and to be completed on JUNE 2009, contingent upon scheduled completion of Customer's off-site construction. These dates are provided only as estimates, are not binding upon APS, and are subject to change to accommodate APS' workload, material requirements, or other factors.

2. PAYMENT

APS shall not begin any construction pursuant to this Agreement until it receives from Customer a payment of \$247,795.18 DOLLARS, which sum equals the installation cost to APS of extending service to Customer. Such payment shall be non-refundable and shall include all costs for the local facilities and municipal street lighting facilities required to serve Customer's anticipated load. A breakdown of these costs are attached hereto as the Project Invoice Cost Summary. Such payment is due to APS upon Customer's execution of this Agreement.

3. GENERAL PROVISIONS

3.1 This Agreement shall be binding upon and inure to the benefit of the heirs, administrators, executors, or assignees of the parties to this Agreement, provided, however, that no assignment or other transfer of this Agreement shall be binding upon APS or create any rights in Customer's assignee until such assignment or other transfer is approved and accepted in writing by an authorized representative of APS.

3.2 All electric facilities install pursuant to this Agreement shall be owned by APS.

3.3 APS may use the installed facilities to serve other customers, and may extend service to other customers from the facilities located within the easement(s) conveyed by Customer pursuant to this Agreement.

3.4 This Agreement does not require APS to construct any line extensions to future customers not included in the attached sketches.

3.5 This Agreement will become effective only upon the execution of this document by duly authorized representatives of the parties and payment by Customer to APS of the total amount set forth in Section 2.

3.6 The prevailing party in any proceedings instituted by either party regarding a dispute concerning this Agreement shall be entitled to recover its reasonable attorney's fees, costs, and expenses.

3.7 If any term or condition of this Agreement is held to be invalid, void, or otherwise unenforceable by any court of competent jurisdiction, that holding shall not

affect the validity or enforceability of any other term or condition of this Agreement, unless enforcing the balance of this Agreement would deprive either party of a fundamental benefit of its bargain.

3.8 This Agreement contains the final and complete agreement between the parties for the construction of the line extension described herein and supersedes all prior and contemporaneous conduct, agreements, statements, representations, negotiations, course of conduct, course of dealing, and communications pertaining to the subject matter hereof, whether written or oral. The parties shall not be bound by or be liable for any statement, representation, promise, inducement, or understanding of any kind not set forth in or formally incorporated into this Agreement

4. ATTACHMENTS

The provisions, terms, and conditions of each of the following documents, attached to this Agreement, are hereby incorporated in full into this Agreement.

Design Sketches
Project Invoice Cost Summary
Trenching Agreement – Requirements
Developer Streetlight Agreement
Utility Easement

5. EXECUTION AND EFFECTIVE DATE

This Agreement has been executed by the duly authorized representatives of the parties, and shall be effective as of the date signed by APS.

ARIZONA PUBLIC SERVICE

CUSTOMER Or CUSTOMER'S REPRESENTATIVE

SIGNATURE: _____

SIGNATURE: _____

NAME: John Croteau

NAME: _____

TITLE: CCE SECTION LEADER

TITLE: _____

DATE: _____

DATE: _____

MAILING ADDRESS:

PERMANENT PHONE NUMBER:

The individual executing this Agreement on behalf of Customer represents and warrants: (i) that he or she is authorized to do so on behalf of Customer; (ii) that he or she has full legal power and authority to bind Customer in accordance with the terms herein and, if necessary, has obtained all required consents or delegations of such power and authority.

APS Invoice No: _____

Prepared By: _____

Date: _____

REMOVED AS TO FORM

CITY ATTORNEY GAB

Amount Paid \$ _____

(Including taxes)

Date Received: _____